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**TSXV Trading Symbol: MVN**

**MADALENA ANNOUNCES FINAL EXECUTION OF JOINT VENTURE AGREEMENT IN  
NEUQUEN PROVINCE OF ARGENTINA**

October 29, 2007

Madalena Ventures Inc. ("Madalena" or the "Company") is pleased to announce it has finalized the execution of the formal Joint Venture and Operating Agreement ("Agreement") with Hidrocarburos del Neuquén Sociedad Anónima, ("HIDENESA"), the Neuquén Provincial Hydrocarbon Company, and Estrella Servicios Petroleros SA (Estrella). The execution of the Agreement follows the Company's news release of September 17<sup>th</sup> 2007 announcing the approval of a letter of intent and work program by HIDENESA on the Cortadera Block in the Province of Neuquen, Argentina. The joint venture participants in the Agreement are Madalena Ventures Inc. (Sucursal Argentina) 70%, HIDENESA 10%, and Estrella Servicios Petroleros SA (Estrella) 20%.

The joint venture carries an initial three year exploration term with a work commitment of \$US 2.5 million in exploration expenditures on the Cortadera Block, including seismic and the drilling of at least one exploration well. Madalena and Estrella are proportionately responsible for the costs during the initial exploration term. Upon encountering commercial production on the Cortadera Block, a development plan would be implemented with a 12% royalty payable to the Province of Neuquen and a concession term of 25 years, with an option to request an additional 10 year extension. During the development phase, HIDENESA is responsible for its share of operating and development costs which are recovered from 80% of their 10% share of production proceeds.

The Neuquen Basin is the most prolific oil and gas producing basin in Argentina and contains a number of fields with oil and natural gas reserves ranging as high as 25 trillion cubic feet of gas and 800 million barrels of oil. The Cortadera Block is situated along the western thrust belt area of the Neuquen Basin and is approximately 500 km<sup>2</sup> (123,500 acres) in size. Madalena has access to 400 km of existing seismic data located on the Block which has identified several exciting features with multi-zone potential. Two wells drilled on the Block during the seventies had gas shows indicating the presence of hydrocarbon potential on the Block.

The work program will commence immediately with a baseline environmental study and the design and implementation of the seismic programs required to further delineate the leads identified on the existing seismic data base.

Madalena is a publicly traded international junior Canadian oil and gas exploration company trading on the Toronto Venture Stock Exchange under the symbol "MVN". The Company has assets in Canada, Tunisia and Argentina and is actively evaluating international oil and gas opportunities with a primary focus on South America and North Africa.

## MADALENA VENTURES INC.

On behalf of the Board

"Ken Broadhurst"

Ken Broadhurst, President

### **Forward Looking Statements**

Certain information set forth in this press release, including a discussion of future plans and operations, contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, environmental risks industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources, as well as risks inherent in operating in foreign jurisdictions, including varying judicial or administrative guidance on interpreting rules and regulations and a higher degree of discretion on the part of governmental authorities. Actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements.

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*